

# MONTANA ARTS COUNCIL GRANT GUIDELINES

FY 2002 - FY 2005



## Building Arts Participation Grants

Arts Are Central To Our Communities



DeWitt Wallace-Reader's Digest Fund  
Lila Wallace-Reader's Digest Fund

Montana Arts Council programs are available to  
all Montanans. Upon request, an alternative  
accessible format will be provided.



MONTANA **ARTS** COUNCIL



# Welcome to the

## Montana Arts Council's Building Arts Participation Grant Program

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**The Montana Arts Council is deeply grateful  
to the Wallace-Reader's Digest Fund for its  
major support of this program.**



DeWitt Wallace-Reader's Digest Fund  
Lila Wallace-Reader's Digest Fund



# INTENDED RESULTS

## BUILDING ARTS PARTICIPATION (BAP) PROGRAM

Arts organizations in Montana can influence their community's priorities with regard to leisure-time activities.

# 1

### INCREASED PARTICIPATION AND RESOURCES FOR MONTANA'S ARTS ORGANIZATIONS

This program will broaden, deepen and/or diversify participation in Montana non-profit arts organizations.

The purpose of this grant program is to build arts participation and boost local resources for non-profit arts organizations in Big Sky Country.

To be successful, projects must strike a balance and stay true to the artistic mission of the organization while meeting needs of the participants. Needs can and will be diverse.

The results of this program must be increased resources tied to increased revenues — whether they be earned, contributed, or in-kind. These resources need to be from the local area because the greatest potential for stable and steady growth lies in support from the local private sector.

This program does not suggest that artists or organizations shape their art to meet the needs of a perceived lowest common denominator — of value, artistry or entertainment. It encourages artists or organizations to take a proactive approach to strengthen their ability to broaden, deepen and/or diversify support for their arts organization.

This program encourages organizations to research what is essential to attract and keep participants over time, and then to implement what they have learned. Stability or growth of future audiences is unreliable if an organization changes programming on an ad hoc basis or focuses on one-time special events.

# 2

### NATIONAL MODELS

The concepts behind selected projects will serve as national models for building arts participation across Montana and in rural America. Rural America is defined as communities with populations of less than 50,000.

# 3

### ANALYSIS AND PUBLICATIONS

Increased participation must translate into data that can be tracked over the period of the grant. This information will result in publications and technical assistance for Montana arts organizations and model programs for rural communities across America.





## GUIDELINES

### Grant Period:

January 1, 2003 through  
June 30, 2005

### Date Due/ Postmark Deadlines:

Letters of Intent  
5 p.m. on May 15, 2002

Final Prospectus  
5 p.m. on October 15, 2002

### Required Viewing:

MAC's METNET broadcast  
on November 28, 2001,  
of ArtsMarket's Montana Arts  
Participation Study.

For a free video copy of the  
presentation, contact MAC.

### Notifications:

Letters of Intent  
June 30, 2002

Final Prospectus  
November 30, 2002

## PROGRAM OVERVIEW

The Building Arts

Participation program is  
designed to help increase  
the resources of Montana's  
nonprofit arts organizations.  
Resources are defined as  
audiences, leadership,  
volunteers and local-area  
funding (earned,  
contributed or in-kind) for  
the arts organization.

*The Montana Arts Council (MAC) has been selected by  
The Wallace-Reader's Digest Funds (WRDF) to serve as a  
national model to build rural arts participation. Model  
projects will be funded through the new Building Arts  
Participation (BAP) grant initiative. Lessons learned from  
models are to be shared nationally.*

*WRDF is celebrated for its leading work in studying and  
funding arts participation. The participation strategies  
outlined below are key to their latest publication, "A New  
Framework for Building Participation in the Arts," published  
2001 by RAND. Organizations are urged to focus on one of  
three strategies defined on the following page.*



## BROADEN

Increase participation among the same kinds of people as your current participants — audience, visitors, donors, members, trustees, volunteers; and/or increase the number of similar types of performances or exhibitions.

**Some Ideas:** Focus on understanding your current audience, to build more of the same; launch “Subscriber Get-A-Friend” campaign; current volunteers or subscribers do personalized one-on-one campaign to peers and friends to solicit new dollars/sales; expand board to truly represent the community the organization serves, not just friends of current board members; schedule children’s programming with a Sunday community pot luck after church – in the church auditorium (look at other venues); schedule demos on costume construction with visiting touring companies and local fabric/craft stores; incorporate local stories or events of interest to local residents.



## DEEPEN

Change or extend programs, perhaps from single presentations to extended residencies or commission; maintain current participants while increasing frequency and/or variety of arts activities/events; and/or increase the level of personal or financial contributions.

**Some Ideas:** Strategies to turn single ticket buyers/attenders into repeat attenders; convert volunteers into donors; find additional ways to turn a single event into a larger experience: to a single performance, add workshops, after-performance discussions, dinners tied to theme of the event; create methods for artists to establish meaningful relationships in the community that turn a program into an expanded experience, making it all more significant and the organization more meaningful to the participant.

## DIVERSIFY

Change the art forms or artists presented; attract and serve participants not currently targeted; and/or attract and engage new types of audience, visitors, donors, members, trustees, volunteers.

**Some Ideas:** Program different styles of work that connects to the mission of the organization, and meets the interests of new types of participants – a museum mounts a design exhibit, centered around the auto, and involves the local auto dealers, detailers, parts and body shops. Involve the teen church youth clubs in creating pre-performance special events planned by them and of interest to them; partner with local hardware stores to attract their customers for back-stage tours with special focus on construction and lighting, led by a designer or technician.



PHOTO CREDIT: ALEX SWANEY

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To learn the answers to the most frequently asked questions

visit the MAC website:

[www.art.state.mt.us/orgs/orgs\\_buildingfaq.htm](http://www.art.state.mt.us/orgs/orgs_buildingfaq.htm)



# HOW THE BUILDING ARTS PARTICIPATION PROGRAM WORKS

## SEVEN STAGES OF THE PROGRAM

1. MONTANA STUDY RESEARCH
2. LETTER OF INTENT
3. PLANNING
4. PROSPECTUS
5. IMPLEMENT THE PROJECT
6. ANNUAL GATHERINGS
7. EVALUATE AND PUBLISH

### STAGE ONE: REVIEW THE RESEARCH

Louise Stevens and ArtsMarket Consulting conducted a major public opinion poll on arts participation in Montana during the fall of 2001. The findings are published in "The Montana Study: Building Arts Participation for Rural America, Research and Handbook," and in MAC's Jan/Feb 2002 newsletter, *State of the Arts*."

ArtsMarket presented their findings during MAC's video telecast when the Building Arts Participation program was announced in November 2001. *All applicants must have either attended the telecast or viewed the program on video and reviewed the Montana Study Handbook prior to submitting a Letter of Intent.*

### STAGE TWO: SUBMIT THE LETTER OF INTENT

#### Open Submission

Non-profit 501(c)(3) arts organizations are invited to submit a Letter of Intent. In this two-page letter, the organization should outline plans as clearly as possible without the expectation that all of the answers are known at this stage. The Letter of Intent is not the same as the Prospectus (full proposal). Organizations that apply are not expected to submit a funding request or budget in the Letter of Intent. The

### Keep in mind two key points:

- 1 *The critical need to involve the targeted participants in the strategies, and*
- 2 *The importance of the organization's mission as the basis for all discussions.*



questions in the Letter of Intent are asked to provide general information for the review panel to adequately consider the project.

### STAGE THREE: UTILIZE THE PLANNING GRANT

#### By Invitation

If the project presented in the Letter of Intent is selected for further development, the applicant will receive guidelines for a full Prospectus and \$5,000 to be used specifically for planning and developing the Prospectus during a period of just over three months (July 1, 2002 to October 14, 2002). A brief narrative and expenditure report will be required at the close of this period.

*To advise organizations in their planning processes a planning facilitator/advisor will be provided for each applicant. The facilitator will be mutually agreed upon by the applicant and MAC.*

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Will larger organizations have a better chance to get funding?



The facilitators will serve several key purposes. They will:

- have a common base of guiding information to assist the applicant organization in preparing a Prospectus,
- help ensure that each Prospectus can be equitably reviewed by the selection panel, and
- assist MAC in developing common tracking and data gathering strategies so that results can be presented in comparable terms for use in developing national models.

A minimum of \$1,000 from the planning grant must be allocated to the facilitator.

Applicants are encouraged to use the planning grant to engage non-arts professionals and planning experts from their communities as well as representatives from the targeted participants.



PHOTO CREDIT: ALEX SWANEY

#### **STAGE FOUR: PREPARE THE PROSPECTUS** By Invitation

Applicants selected to submit a Prospectus will be asked to provide more project detail: strategies, key participants, timelines, budgets, expected results and evaluation strategies. There is no predetermined grant amount ceiling or base for a full Prospectus selected for implementation.

As stated before, a facilitator will will advise the applicant in developing the Prospectus.

#### **STAGE FIVE: IMPLEMENT THE PROJECT**

If a Prospectus is selected for project implementation, a facilitator will continue to work with the organization throughout the duration of the grant period. Guidelines for facilitation fees are predetermined by MAC and fees will be drawn from the grant monies awarded in each phase.

#### **STAGE SIX: ATTEND ANNUAL GATHERINGS**

MAC will sponsor annual meetings of grantees and other Montana arts organizations, to foster the exchange of ideas and strategies, and support the evaluation process, through 2005.

#### **STAGE SEVEN: EVALUATE AND PUBLISH**

A major component of the program will be a publication about building arts participation in rural America, with Montana as the focus for the nation. Results of all projects selected for implementation will be included in the publication for national distribution.



PHOTO CREDIT: ALEX SWANEY

For answers, visit the MAC website:

[www.art.state.mt.us/orgs/orgs\\_buildingfaq.htm](http://www.art.state.mt.us/orgs/orgs_buildingfaq.htm)





## HEALTHY ORGANIZATIONAL BEHAVIOR

Healthy arts organizations in the current environment practice certain behaviors to ensure growth and stability:

- Create a Shared Vocabulary
- Listen
- Make Inquiries
- Challenge the Status Quo
- Facilitate Innovation

*Excerpt from a study prepared for the  
David and Lucille Packard Foundation  
by Bill Moskin and Jill Jackson*

## FUNDING CRITERIA

A review panel will gauge how well the application meets the criteria, and will select a variety of approaches and organizations. This program has two review stages: the Letter of Intent and the full Prospectus, each described in the previous section. The same panel members will review applications in both stages and make funding recommendations to the Montana Arts Council, which makes the final decisions.

Projects must exhibit artistic excellence in their respective art form — visual, performing, media, literature, traditional, folk or a combination of these.

### **Projects will be evaluated on how well they:**

- Develop a plan to build arts participation that utilizes one of the three strategies (broaden, deepen, diversify) outlined in the previous section.
- Demonstrate clearly how the projects will provide additional resources. Resources are defined as audience, leadership, volunteers and local-area funding (earned, contributed or in-kind) for the arts organization.

- Determine a planning process that closely links the core values and mission of the organization to the participation-building idea. Efforts must be relative to the size of, and relevant to the abilities of, the organization (i.e. bigger is not always better).
- Involve the targeted participants and partners. Applicants must demonstrate significant involvement of rural and/or underserved populations and partners to plan, implement, experience and evaluate the project.
- Lay the groundwork for long-term, steady and sustainable growth.
- Show how the projects will continue after the grant period.
- Can be used as national models for participation-building practices in rural America. Other communities must be able to duplicate the concepts behind the projects.

Montana legislators will help set additional criteria for success that will be incorporated into the final Prospectus.

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**How do I best use the research in The Montana Study to develop the strongest Letter of Intent?**



# WHO CAN APPLY

- Nonprofit arts organizations whose projects focus on and directly involve rural and/or underserved constituents may apply.

Within the cities of Billings, Great Falls and Missoula, projects focusing on and directly involving outlying rural communities or the underserved, as described below, are eligible to apply.

- A team of two or more 501(c)(3) arts organizations may apply.
- An organization may be involved with more than one project application if they are a partner, but not the applicant, on the second project.
- Montana artists not directly associated with a 501(c)(3) arts organization are invited to develop or collaborate on a project with such an organization, understanding that the 501(c)(3) arts organization must make the application and be the primary beneficiary of the project. Montana artists are defined as artists who have been residents of Montana since January 1, 2001.
- Statewide arts service organizations are eligible, such as MAGDA, MASO, MPAC, Montana Arts, MDAA, etc.
- Nonprofit arts organizations that are also members of statewide arts service organizations making an application are also eligible.
- Applicants may not utilize another organization's 501(c)(3) status for the purpose of making an application.
- Prior and current recipients of any MAC grant, provided they are a 501(c)(3) arts organization.

## DEFINITIONS

**Rural.** Cities with less than 50,000 people; all Montana cities except Billings, Great Falls and Missoula.

**Nonprofit.** Nonprofit arts organizations are defined as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and incorporated in Montana.

## HOW TO INTEGRATE PARTICIPATION-BUILDING PRACTICES

*The Wallace-Reader's Digest Funds challenges organizations to determine how participation-building efforts fit with their overall purpose and mission, their available resources, and the community environment in which they operate — specifically, efforts that result in:*

- *Linking participation-building activities to core values and purpose of the arts organization;*
- *Identifying clear target groups, basing tactics on solid information about these groups;*
- *Clearly understanding both the internal and external resources that can be committed to building participation; and,*
- *Establishing a process for feedback and self-evaluation.*



PHOTO CREDIT: ALEX SWANEY

The term “underserved” was originated by Congress to ensure that a portion of NEA funding be targeted to artistically underserved areas of the country.

### Underserved.

- Montana's Indian peoples and other ethnic minorities.
- People with disabilities.



# AVAILABLE FUNDING

The Building Arts Participation grant program is funded with approximately \$300,000. MAC intends to fund a diversity of organizations with projects that focus on strategies to broaden, deepen and diversify arts participation.

## SOURCES OF FUNDS

Building Arts Participation funding is made possible through the Wallace-Reader's Digest Funds and the State of Montana General Fund (state funding that was previously allocated to the Arts Are Central To Our Communities grant program).

## MATCHING REQUIREMENTS

Planning grants awarded for Letters of Intent need no match. Grants for projects selected for implementation must be matched dollar-for-dollar in cash and/or in-kind (the fair market value of donated services and supplies.) Federal, state, local or private funds may be used as match.

*Grantees may use grant funds to increase the hours of existing staff or engage staff or contract help for the project. Although there is a great deal of flexibility in these matching requirements, grant advisory panels typically look more favorably on applications that show a variety of funding sources (cash, in-kind, grants, contributions, earned income). However, advisory panels will take into account limited funding opportunities in rural areas.*

## GRANT FUNDS MAY NOT BE USED TO

- Fund one-time events.
- Establish or develop a cash reserve.
- Establish or add to a permanent endowment.
- Reduce a deficit.
- Support performance seasons in which artists are paid primarily from a share or percentage of box office proceeds.
- Fund projects where the performance or presentation is free or deeply discounted (50% or more) except where the applicant organization has a standard operating procedure of not charging admission or for

those projects where a free or discounted presentation is a single strategy — not the sole intent— of the plan.

- Fund projects where the intended participants are primarily tourists.

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## WHAT TO INCLUDE IN THE LETTER OF INTENT

**Postmark deadline: 5 p.m. May 15, 2002**

What to include: 1) one original and eight copies of the Cover Sheet and Letter of Intent, 2) nine copies of recent organizational brochure (originals, not photocopies), 3) nine copies of the organization's mission and vision statements; 4) one copy of IRS letter confirming 501(c)(3) ruling or note that it is on file at MAC.

### Cover Sheet

Please provide the following information on a separate sheet of paper. Provide only the information requested, in the order presented. Do not use the Cover Sheet to begin the narrative.

*(Please headline the cover sheet with— BUILDING ARTS PARTICIPATION.)*

ORGANIZATION:

CONTACT:

ADDRESS:

PHONE:

EMAIL:

FAX:

DATE:

ORGANIZATION'S TAX ID:

AUTHORIZING SIGNATURE:

The signature of the Authorizing Official serves as the contract signature for the planning grant, if awarded. By signing this cover page, the applicant agrees that:

- It will be in compliance with the Assurances printed in these guidelines (pages 11-12).
- It will use the planning grant solely for purposes of planning for the prospectus, with at least \$1,000 allocated to the facilitator.
- It will return any unexpended funds from the planning grant.
- It will maintain accounts, record, and other documentation pertaining to the costs incurred under the planning grant.

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**Can I use this grant for capital expenditures?**



- It will submit the final reports required within 30 days after the completion of the planning grant.
- MAC and the Legislative Auditor or any of their duly authorized representatives shall have access to any books, documents, papers, and records pertinent to this specific grant program for the purpose of making audit examination, excerpts, and transcripts
- MAC, at its discretion after consultation with the applicant, may terminate this grant in whole or in part on 30 days written notice. The termination shall not affect any commitment, which in MAC's judgment, has become firm prior to the effective date of the termination. The applicant agrees to furnish MAC, within 60 days after the date of termination, a final report of funds expended, obligated and remaining under the grant, as well as any grant amount deemed due.

### **Narrative:**

Please note: This narrative is NOT considered the complete grant application, i.e. the Prospectus. It is the preliminary step in a two-step application process. Based upon the Letter of Intent, selected organizations will be invited to participate in a planning process and to submit a full Prospectus. (See page 4.)

Please answer the following questions in your Narrative, which can be no longer than two typewritten pages. Narratives that exceed two pages, or use font sizes smaller than 12 pt, will not be eligible for review. Respond to the information in the order presented. Number and restate each question in abbreviated form as one-line headings.

1. Identify the participation-building strategy that is your primary focus: Broaden, Deepen, or Diversify. (For further definitions, please see Participation Building Strategies, page 3.)
2. What is your participation-building idea and who are your targeted participants?
3. How does your participation-building idea relate to the core values and mission of your organization?
4. Generally describe the planning process you would use to develop your participation-building project. What part of The Montana Study and the research component of the video presentation conducted by ArtsMarket will be most applicable to your idea?

5. Describe how you will involve your targeted participants and/or partners in all phases of the planning.
6. Define the increased resources you hope to achieve and how these resources will be sustained over the long term.
7. How do you propose to spend the \$5,000 planning grant? (At least \$1,000 of the grant must be allocated to a facilitator.)
8. What is the estimated budget range of the entire project (excluding the planning grant)?  
☐ \$5,000 to \$10,000    ☐ \$10,000 to \$25,000  
☐ \$25,000 to \$50,000    ☐ \$50,000 or more
9. What was your organization's operating budget (expenses and revenue) for the most recently completed fiscal year?

## **HOW TO APPLY**

- Determine your organization's eligibility to receive grant funds (see page 7).
- Review grant funding and criteria (see pages 6-8).
- Letters of Intent must follow the guidelines set forth in this publication. Applicants must answer the questions in this application booklet. Submissions by fax or E-mail will not be accepted.

Type your application using up to two pages. Do not use a type or font smaller than 12 point. All margins must be at least 1" wide to accommodate collating the submissions into panel review books.

Use standard 8-1/2" x 11" paper except for brochures, pamphlets, etc. Single-sided copies only.

Do not bind your application; use paper clips instead of staples.

- Cover Sheets must be signed by the authorizing official and, if awarded, will act as the contract for the planning grant.
- Applications must be postmarked or hand delivered to the council office by 5 p.m. May 15, 2002.

Mailing address: Montana Arts Council,  
POB 202201, Helena, MT 59620-2201.

Street address: 316 North Park Avenue,  
Suite 252, Helena, MT 59620.

*If you have questions, please call the Montana Arts Council office at 406-444-6430 or E-mail us at [mac@state.mt.us](mailto:mac@state.mt.us).*

For answers, visit the MAC website:

**[www.art.state.mt.us/orgs/orgs\\_buildingfaq.htm](http://www.art.state.mt.us/orgs/orgs_buildingfaq.htm)**



# WHAT WE CAN ACCOMPLISH TOGETHER

- Sustain incremental growth or stabilization for Montana's arts organizations.
- Integrate the core values of the arts organization with the needs of their target participants.



PHOTO CREDIT: ALEX SWANEY

- Create relevance for more people.

***Relevance = connection to personal meaning = more participation.***

- Broaden, deepen or diversify relationships.  
Establish a stronger sense of trust and communication.

***Truer connections = greater leadership, volunteers, membership and/or repeat attendance = more revenue from stable supporters.***



- Inspire meaningful and ongoing involvement of targeted partners and/or participants that results in lasting alliances.
- Increase organizational resources and leverage additional funding and increased stature from the grant funding.
- Produce models that can be used by other communities, to serve as national models for participation-building practices in rural America.
- Continue projects and programs after the grant period.

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**Why is rural defined as communities of 50,000 or less?**



# ASSURANCES

Please read these Terms and Conditions carefully.

Applicant organizations must adhere to federal and state fair labor standards, civil rights statutes, handicapped accessibility regulations, age discrimination statutes, regulations regarding lobbying with appropriated monies, and accounting record requirements.

1. **Fair Labor Standards:** All professional artists and related or supporting professional personnel employed on projects or productions which are financed in whole or in part under the grant will be paid, without subsequent deduction or rebate on any account, not less than the minimum compensation as determined by the Secretary of Labor to be the prevailing minimum compensation for persons employed in similar activities. No part of any project or production which is financed in whole or in part under the grant will be performed or engaged in under working conditions which are unsanitary or hazardous or dangerous to the health and safety of the employees engaged in such project or production. Compliance with the safety and sanitary laws of the State in which the performance or part thereof is to take place shall be prima facie evidence of compliance.
  2. **Title VI of the Civil Rights Act of 1964**, as amended, provides that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance (Section 601).
  3. **Title IX of the Education Amendments of 1972** provides that no person in the United States shall, on the basis of sex, be excluded from participation in, be denied benefits of, or be subject to discrimination under any education program or activity receiving Federal financial assistance.
  4. **The Age Discrimination Act of 1975** provides that no person in the United States shall, on the basis of age, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.
  5. **Disabilities: Section 504 of the Rehabilitation Act of 1973** provides that no otherwise qualified individual with a disability in the United States, as defined in Section 7(6) shall, solely by reason of his/her disability, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity receiving Federal assistance. The Americans with Disabilities Act of 1990 ("ADA") prohibits discrimination on the basis of disability in employment (Title I), state and local government services (Title II), and places of public accommodation and commercial facilities (Title III). Like Section 504 regulations, the ADA's definition of a disabled person extends beyond those who are visually, hearing, mobility, and learning impaired to include individuals with AIDS or infected with HIV, the AIDS virus.
  6. **Section 504 – Self-Evaluation.** A self-evaluation must be on file at your organization.  
\*For the purposes of Section 504, the term "handicapped individual" means any person with (a) a physical or mental disability which substantially limits one or more of such person's major life activities, (b) has a record of such a disability, or (c) is regarded as having such a disability.
  7. **Other Assurances:** The Endowment's enabling legislation that requires "artistic excellence and artistic merit" to be included in the criteria upon which grants are awarded.
  8. **Regulations relating to Suspension, Termination and**
- Debarment (45 C.F.R. pt. 1154) in which the Applicant certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any Federal department or agency, nor has, within the three years preceding the submission of this application, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with a public (Federal, state, or local) transaction or a contract under a public transaction; for violation of Federal or state antitrust statutes; for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; had any public transactions terminated for cause or default; or is presently indicted for or otherwise criminally or civilly charged by a governmental entity with any of the preceding offenses. Grants or cooperative agreements may be terminated in whole or in part – a. by the Endowment, if a recipient materially fails to comply with the term and conditions of an award; b. by the Endowment with the consent of the recipient, in which case the two parties shall agree on the termination conditions, including the effective date and, in the case of partial termination, the portion of the project to be terminated; or c. by the recipient upon sending to the Endowment written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion of the project to be terminated. However, if the Endowment determines that the reduced or modified portion of the award will not accomplish the purposes for which the award was made, it may terminate the award in its entirety either unilaterally or with the consent of the recipient. When the Endowment determines that a recipient has failed to comply with the terms of the award, the Endowment may suspend or terminate the award for cause. Normally, this action will be taken only after the recipient has been notified of the deficiency and given sufficient time to correct it, but this does not preclude immediate suspension or termination when such action is required to protect the interests of the government.
9. **18 U.S.C. Sec. 1913 Lobbying with Appropriated Moneys.** "No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to members of congress on the request of any Member or to congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business." OMB Circular A-122 – "Lobbying" Revision makes clear that lobbying is an unallowable cost. Certification Regarding Lobbying to Obtain Grants (Section 319 of Public Law 101-121, codified at 31 U.S.C. Sec. 1352). This law prohibits the use of Federally-appropriated funds to pay costs associated with lobbying members of Congress, employees of Congress, and employees of Federal agencies with respect to the award or amendment of any Federal grant, cooperative agreement, contract, or loan. While applicants, grantees, and cooperators may use non-Federal funds for such activities, use of these funds must be disclosed to the Federal agency. The law exempts from the



disclosure requirement the lobbying activities of long-term employees (those employed or expected to be employed for more than 130 days) of an applicant or grantee. The law also exempts from the definition of lobbying certain agency and legislative liaison activities and professional and technical services by applicant and grantees. This law requires applicants who request or are recommended to receive more than \$100,000 in Federal funds to execute a certification, prior to award, that they have not and will not use Federally-appropriated funds for lobbying; that they will disclose (through a government standard form) the use of other funds for lobbying activities; and that they will require similar certifications from sub-grantees or contractors who receive more than \$100,000 under the grant-supported project.

**10. Accounting Records Supported by Source Documentation:**

because grant awards are made up, in part, of Federal funds from the National Endowment for the Arts, recipient organizations (sub grantees) are required by the Federal Office of Management and Budget to maintain accounting records which are supported by source documentation, should there arise the need to audit the organization's use of grant funds.

- a) **OMB Circular A-87**, "Cost Principles for State and Local Governments," as amended: state, local and Federally-recognized Indian tribal governments;
- b) **OMB Circular A-122**, "Cost Principles for Non-profit Organizations," as amended; non-profit organizations, exclusive of institutions of higher education; and
- c) **OMB Circular A-21**, "Cost Principles for Educational Institutions," as amended: public and private institutions of higher education.

**11. Drug-Free Workplace Act of 1988** (41 U.S.C. 701 et seq.)

provides that the Grantee will provide a drug free workplace by:

- 1. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- 2. establishing an ongoing drug-free awareness program to inform employees about:
  - a. the dangers of drug abuse in the workplace;
  - b. the sub-grantee's policy of maintaining a drug-free workplace;
  - c. any available drug counseling, rehabilitation, and employee assistance programs; and
  - d. the penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- 3. making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
- 4. notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will:
  - a. abide by the terms of the statement; and
  - b. notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction
- 5. Notifying the Council in writing, within ten calendar days after receiving notice under subparagraph 4b, from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to the Council as well as the grant number(s) of each affected grant;
- 6. taking one of the following actions within 30 calendar days of receiving notice under subparagraph 4b, with respect to any employee who is so convicted:
  - a. taking appropriate personnel action against such an employee, up to and including termination, consistent with

the requirements of the Rehabilitation Act of 1973, as amended; or

- b. requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency;

7. To maintain a drug-free workplace through implementation of paragraphs 1 through 6.

**12. Equipment** Consists with 41 U.S.C. 10a-10c, "Buy American Act," grantees who are purchasing equipment and products through an Endowment-supported grant are encouraged, whenever possible, to purchase American-made equipment and products.

**IMPORTANT ADDITIONAL INFORMATION**

**1. Uniform Administrative Requirements**

- a. Grant recipients which are units of state and local governments are federally recognized Indian Tribal Governments are subject to the administrative requirements codified by the Endowment at 45 CFR Part 1157 – "Uniform Administrative Requirements for Grants & Cooperative Agreements to State and Local Governments" ("Common Rule")
- b. Sub-grantees which are non-profit organizations, colleges and universities are subject to the requirements of Office of Management and Budget (OMB) circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations," as amended.

**2. Native American Graves Protection and Repatriation Act of 1990**

applies to any organization which controls or possesses Native American human remains and associated funerary objects, and which receives Federal funding, even for a purpose unrelated to the Act. (25 U.S.C. 3001 et seq.)

**3. National Historic Preservation Act of 1966**, as amended.

This law applies to any Federal funds that would support either the planning or major renovation of any structure eligible for or on the National Register of Historic Places, in accordance with Section 106 of the National Historic Preservation Act of 1966. This law also applies to new construction that would affect such properties. Your state arts agency or regional arts organization, in conjunction with your State Historic Preservation Officer, is required to provide the Arts Endowment with a finding as to the impact of your plan or renovation on the structure or any affected properties. Any substantial change in your renovation or construction plans must be submitted to the Arts Endowment through your state arts agency or regional arts organization for review and approval prior to undertaking any of the proposed changes. (16 U.S.C. 470)

**4. National Environmental Policy Act of 1969.**

This law applies to any Federal funds that would support an activity which may have environmental implications. Your state arts agency or regional arts organization may request that you provide information to the Arts Endowment in response to specific questions in accordance with the National Environmental Policy Act of 1969. The Arts Endowment will then determine whether to undertake an environmental assessment or issue a "finding of no significant impact." A "finding of no significant impact" requires no additional action by the Arts Endowment or you. (42 U.S.C. Section 4332)

**5. A-133 Audit Requirements. OMB Circular A-133, "Audits of States, Local Governments and Nonprofit Organizations,"**

includes specific guidance for conducting financial and compliance audits. The threshold for requiring an audit is \$300,000 in yearly expenditures of Federal awards. This amount is the aggregate of funds from all Federal sources.



## Council Members

The Montana Arts Council members are appointed by and serve at the pleasure of the Governor of the State of Montana. Members are appointed for five-year terms. The Council meets three times a year and makes the final funding decisions for all Montana Arts Council grant programs.

### Members as of January 2002:

*Bill Frazier, Chairman, Big Timber*  
*Carol Brenden, Scobey*  
*Ann Cogswell, Great Falls*  
*Connie Clarke, Billings*  
*John Dudis, Kalispell*  
*Rick Halmes, Billings*  
*Sody Jones, Billings*  
*Diane Klein, Kalispell*  
*Robert Morrison, Billings*  
*Marilyn Olson, Sidney*  
*Jackie Parsons, Browning*  
*Linda Reed, Helena*  
*Jennifer Earle Seifert, Troy*

## MAC Mission Statement

The Montana Arts Council is the agency of state government charged with promoting and expanding the significant role of arts and culture in our lives through a variety of grant and technical assistance programs, which benefit Montanans of all ages and cultures as current or future creators, participants or patrons of the arts.



## Staff

The Montana Arts Council is here to serve all citizens of Montana. We are eager to answer any questions, hear any suggestions or provide any information you need. Please call us at 406-444-6430 or e-mail us at [mac@state.mt.us](mailto:mac@state.mt.us).

*Arlynn Fishbaugh, Executive Director*  
*Carleen Layne, Accountant*  
*Beck McLaughlin, Interim Director of Programs*  
*Alexandra Swaney, Folklife Director*  
*Cinda Holt, Communications Director*  
*Kristin Han, Database and Grants Manager*  
*Cheri Long, Percent for Art Director*  
*Kim Baraby Hurtle, Executive Assistant*  
*Cody Ferguson, Administrative Assistant*

## MAC Vision Statement

The 21st Century will establish the Montana Arts Council as a state and national leader in the arts by focusing its vision outward, to not only strengthen the arts in the state, but also help boost Montana's economy, stimulate quality of life and improve education throughout the state.

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# MONTANA ARTS COUNCIL BUILDING ARTS PARTICIPATION GRANT GUIDELINES FY2002 - FY2005

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**T**he Montana Arts Council is the recipient of highly competitive and substantial funding from the Wallace-Reader's Digest Funds' national State Arts Partnership for Cultural Participation initiative. The intent of the START initiative is "to enable state arts agencies to establish and expand program standards and practices that increase participation in, and support for, the arts." The START initiative supports state arts agencies' efforts to adopt effective guidelines, programs and funding practices aimed at encouraging broader public participation in the arts.

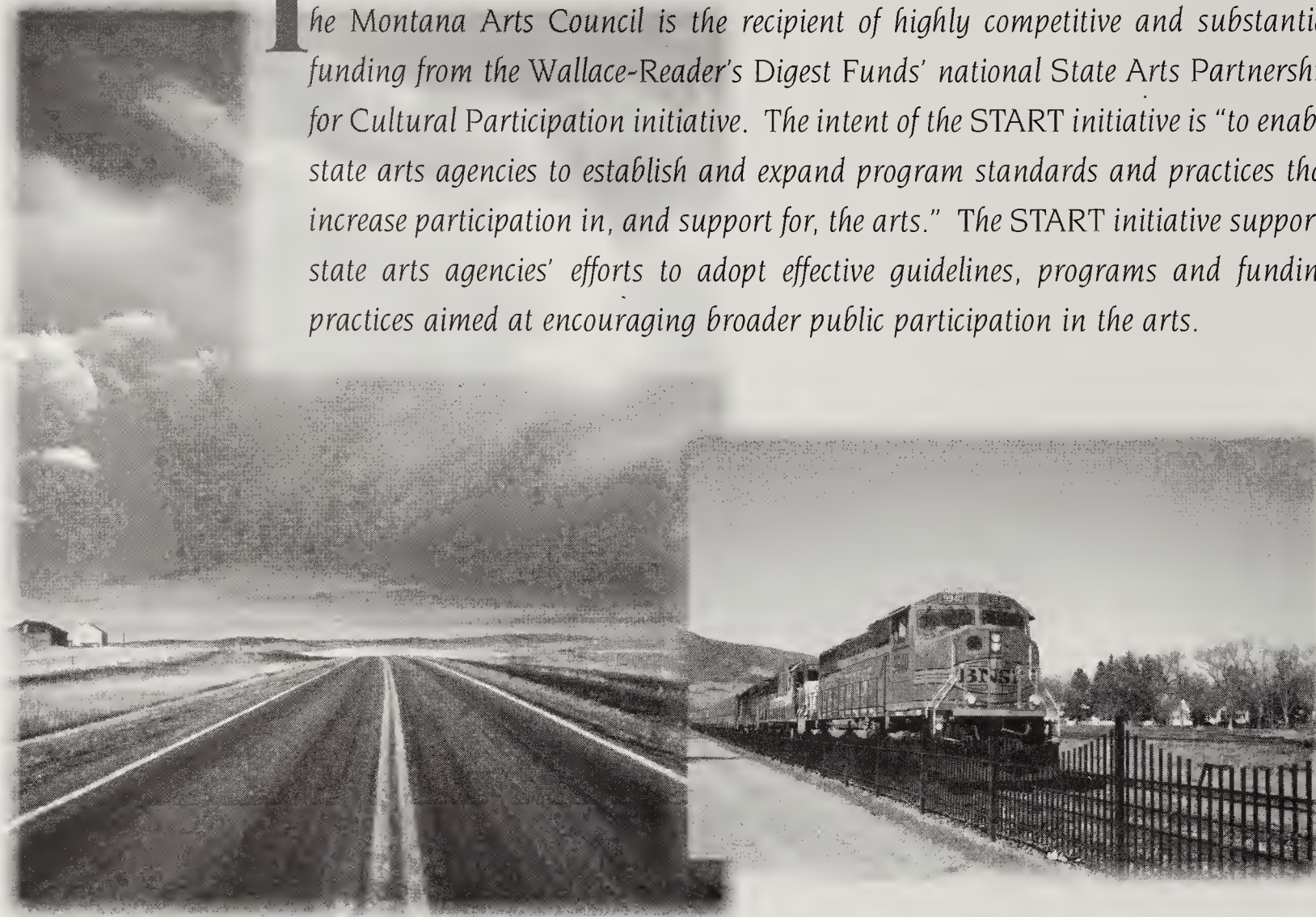


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MONTANA **ARTS** COUNCIL

P.O. Box 202201

316 North Park Ave, Suite 252

City-County Building

Helena, MT 59620-2201

V: 406-444-6430

T: 711

Fax: 406-444-6548

E-mail: [mac@state.mt.us](mailto:mac@state.mt.us)

Web: [www.art.state.mt.us](http://www.art.state.mt.us)